



EXECUTIVE ORDER NO. 204
Series of 2020

**AN ORDER DIRECTING PRICE CONTROL ON ALL BASIC NECESSITIES IN
THE ISLAND GARDEN CITY OF SAMAL AND FOR OTHER PURPOSES**

WHEREAS, under Section 15, Article II of the Philippine Constitution, it is the State's Policy to protect and promote the right to health of the people;

WHEREAS, Proclamation No. 922, s. 2020, was issued declaring a State of Public Health Emergency throughout the Philippines due to Corona Virus Disease 2019 (COVID-19), enjoining all government agencies and Local Government Units (LGUs) to render full assistance and cooperation and mobilize the necessary resources to undertake critical, urgent and appropriate response and measures in a timely manner to curtail and eliminate the threat of COVID-19);

WHEREAS, Presidential Proclamation No. 929 was issued Declaring a State of Calamity throughout the Philippines due to Corona Virus Disease 2019;

WHEREAS, despite the calamity that besetting the country right now, there are unscrupulous businessmen who are profiteering by illegally increasing the prices of basic necessities;

WHEREAS, Republic Act No. 7581 as amended otherwise known as the "Price Act", provides for the protection of consumers by prescribing measures against undue price increases during emergency situations;

WHEREAS, pursuant to Section 16 of the Local Government Code, the City Mayor shall exercise general supervision and control over all programs, projects, services, and activities of the city government for the promotion of the general welfare;

NOW THEREFORE, I, **AL DAVID T. UY**, City Mayor of the Island Garden City of Samal, by virtue of the powers vested in me by law, do hereby order the following:

SECTION 1. Definition of Terms.

- a. **BASIC NECESSITIES**: rice; corn; bread; fresh, dried and canned fish and other marine products, fresh pork, beef and poultry meal; fresh eggs; fresh and processed milk; fresh vegetables; root crops; coffee; sugar, cooking oil; salt; laundry soap; detergents; firewood; charcoal; candles; and drugs classified as essential by the Local Price Coordinating Council (LPCC);
- b. **PREVAILING PRICE**: means the average price at which any basic necessity has been sold in a given time within a month from the occurrence of the calamity;
- c. **PRICE CEILING**: means the maximum price at which any basic necessity may be sold to the general public;
- d. **HOARDING**: which is the undue accumulation by a person or entity of any basic necessity beyond his or their normal inventory levels or the unreasonable limitation or refusal to dispose of, sell or distribute the stocks of any basic necessity to the general public or the unjustified taking



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out of any basic necessity from the channels of reproduction, trade, commerce and industry.

- e. **PROFITEERING:** is the sale or offering for sale of any basic necessity at a price grossly in excess of its true worth.

SECTION 2. Illegal Acts: it shall be unlawful for any person engaged in the production, manufacture, importation, storage, transport, distribution, sale or other methods of disposition of goods to engage in the following acts:

- a. **Hoarding:** There shall be prima facie evidence of hoarding when a person has stocks of any basic necessity fifty percent (50%) higher than his usual inventory and unreasonably limits, refuses or fails to sell the same to the general public at the time of discovery of the excess. The determination of a person's usual inventory shall be reckoned from the third month immediately preceding before the discovery of the stocks in case the person has been engaged in the business for at least three (3) months; otherwise, it shall be reckoned from the time he started his business
- b. **PROFITEERING:** There shall be prima facie evidence of profiteering whenever a basic necessity is being sold: (a) has no price tag; (b) is misrepresented as to its weight or measurement; (c) is adulterated or diluted; or (d) whenever a person raises the price of any basic necessity or prime commodity he sells or offers for sale to the general public by more than ten percent (10%) of its price in the immediately preceding month;

SECTION 3. Price Ceiling: The Local Price Coordinating Council (LPCC) may impose a price ceiling on any basic necessity.

SECTION 4. Determination of Price Ceilings. – In determining the reasonable price ceiling, the following factors may be taken into consideration:

- a. The average price, in the last three (3) months immediately preceding the proclamation of the price ceiling of the basic necessity;
- b. The supply available in the market;
- c. The cost to the producer, manufacturer, distributor or seller;

SECTION 5. Violations. Business Permits of persons or entities found violating the provisions of this Order shall be revoked or suspended without need of judicial process and shall be litigated in the proper courts for violation of RA 7581 and other pertinent laws.

SECTION 6. Effectivity.

This Order is effective upon signing thereof.

Done this 18th of March 2020, Island Garden City of Samal, Province of Davao del Norte.

AL DAVID T. UY
City Mayor